

Quick Brown Fox Asset Management

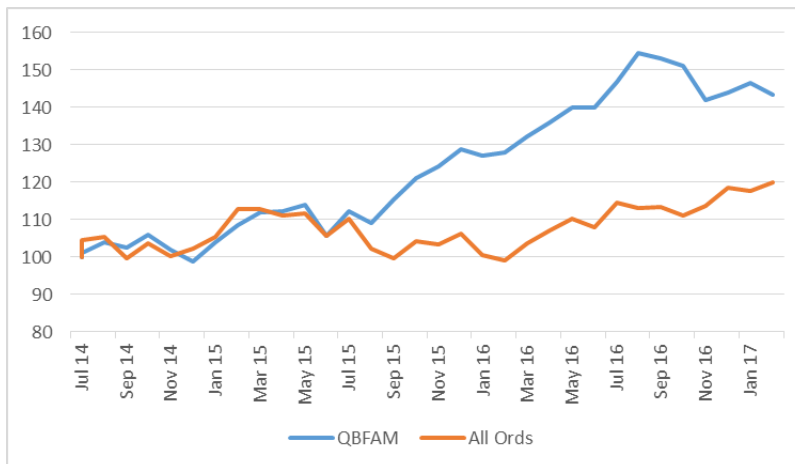


Monthly Report – February 2017

Reporting season was a volatile period for the Australian market. Earnings growth was led by the resource companies after the rally in commodity prices over the last year, this led to increased payouts to shareholders. Companies that missed expectations were sold off heavily with major disappointments coming from Telstra, Brambles and iSentia. One sector that stood out to us was the IT services sector where we saw a number of strong results and plenty of positive guidance. For some more of our thoughts on reporting season please watch our wrap, found on the Lazy Dog Blog: <https://www.tamim.com.au/the-lazy-dog-blog>

| | 1 month | 3 months | 6 months | 1 year | 2 year (annualised) | Since Inception (annualised) 1-Jul-14 |
|-------------------|---------|----------|----------|--------|------------------------|--|
| QBFAM | -2.06% | 0.98% | -7.16% | 12.05% | 14.97% | 14.50% |
| All Ords | 2.09% | 2.09% | 6.20% | 21.33% | 3.19% | 7.09% |
| Small Ords | 1.31% | 1.31% | -2.12% | 16.77% | 6.12% | 7.14% |

Over the longer term, the fund maintains a strong lead over the market.



Note: All returns are pre fees and unaudited

The Portfolio

The fund is currently invested in 16 companies. The fund added two new positions in the month, one a software company and one IT services company focused on distribution. Meanwhile we exited positions in Appen, Grays Ecommerce Group and ICS Global. The cash level is currently 35.2%. The positions above 5% are shown below.

| | |
|-----------------|-------|
| GTK | 7.0% |
| IMF | 6.3% |
| MLB | 5.2% |
| MUA | 5.1% |
| DTL | 5.1% |
| | |
| Other Positions | 36.1% |
| Cash | 35.2% |

Sector Positioning

The fund maintains a strong overweight to the IT sector with other exposures in Healthcare, REITs, Financials and Telcos.

